

**UNITED STATES DEPARTMENT OF AGRICULTURE**

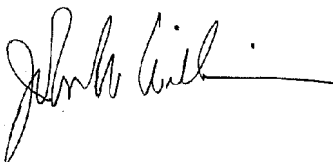
Farm Service Agency  
Washington, DC 20250

**Notice PM-2147**

**For:** FFAS Employees

**Interest Rates for Civilian and Military Service Credit Deposits**

**Approved by:** Acting Deputy Administrator, Management



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**1 Credit Service Deposits**

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**A**

**Purpose**

This notice provides updated interest rates that apply to civilian and military service credit deposits. These rates apply to both the CSRS and FERS Retirement Systems.

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**B**

**Definition of Deposit**

Deposit is a sum of money that is paid into the retirement fund, plus interest by an employee, to cover a period of service when FERS or CSRS retirement deductions were not withheld from pay. This includes temporary employment, intermittent/WAE service, and Peace Corps Volunteer Service.

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**C**

**Definition of Redeposit**

Redeposit is a sum of money paid into the retirement fund, plus interest by an employee, to cover a period of service when CSRS retirement deductions were withheld and later refunded to the employee after separation from Federal service. A refund for FERS service may not be repaid nor can refunded FERS service be credited for future retirement purposes.

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**D**

**Definition of Military Deposit**

Military deposit is the amount of money required to receive credit for title and annuity computation purposes for active duty military service performed after December 31, 1956. The deposit amount is based on the earnings during the military service that is certified by the military.

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**Disposal Date**

December 1, 2000

**Distribution**

All FAS, FSA, and RMA employees; State Offices relay to County Offices

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## Notice PM-2147

### 2 Interest Rates

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#### A

#### 2000 Interest Rate

The variable interest rate for 2000 is 5.875 percent.

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#### B

#### Earlier Interest Rates

The interest rates for earlier years are as follows.

| Year         | Interest Rate<br>(Percent) |
|--------------|----------------------------|
| Before 1948  | 4                          |
| 1948 to 1984 | 3                          |
| 1985         | 13                         |
| 1986         | 11.125                     |
| 1987         | 9                          |
| 1988         | 8.375                      |
| 1989         | 9.125                      |
| 1990         | 8.75                       |
| 1991         | 8.625                      |
| 1992         | 8.125                      |
| 1993         | 7.125                      |
| 1994         | 6.250                      |
| 1995         | 7                          |
| 1996         | 6.875                      |
| 1997         | 6.875                      |
| 1998         | 6.750                      |
| 1999         | 5.750                      |

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### 3 Affect of Deposits on Service or Annuity

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#### A

##### Nonpayment of Service Credit Payments

Nonpayment of service credit payments can have an affect on determining eligibility for retirement and in computing the annuity. FERS employees **must** pay deposits for nondeduction service before January 1, 1989, and post-56 military service to receive retirement credit for that service.

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#### B

##### Contacts

For additional information about how application of interest and service credit payments may affect service or annuity, contact the appropriate office as follows.

| Office  | Contact   |
|---|---|
| <ul style="list-style-type: none"> <li>National Office</li> <li>RMA, Regional Service and Compliance Offices, except Kansas City Office</li> <li>FAS Overseas Offices</li> </ul>                    | HRD, Performance Management, Benefits and Awards Branch, 202-418-9021, 202-418-9039, or TDD 202-418-9116. |
| Caribbean Area Office   | Administrative Office, 809-729-6872.  |
| County Offices  | State Administrative Officer.   |
| <ul style="list-style-type: none"> <li>KCMO</li> <li>KCCO</li> <li>RMA, RDD and Kansas City Compliance Office</li> <li>FSA State Offices</li> <li>APFO</li> <li>St. Louis Finance Office</li> </ul> | KCMO, Personnel Division, Employee and Labor Relations Branch, 816-926-6643 or 816-926-6148.              |

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